

HOUSE BILL 1023

Unofficial Copy
B2

2001 Regular Session
(11r2103)

ENROLLED BILL
-- Appropriations/Budget and Taxation --

Introduced by **Delegates Guns, Rudolph, W. Baker, and Walkup**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Creation of a State Debt - Cecil County - The Hollingsworth House**

3 FOR the purpose of authorizing the creation of a State Debt not to exceed ~~\$701,000~~
4 ~~\$400,000~~ \$200,000, the proceeds to be used as a grant to the Board of Directors
5 of The Historic Elk Landing Foundation, Inc. for certain development or
6 improvement purposes; requiring the grantee to grant and convey a certain
7 easement to the Maryland Historical Trust; providing for disbursement of the
8 loan proceeds, subject to a requirement that the grantee provide and expend a
9 matching fund; and providing generally for the issuance and sale of bonds
10 evidencing the loan.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That:

13 (1) The Board of Public Works may borrow money and incur indebtedness on
14 behalf of the State of Maryland through a State loan to be known as the Cecil County
15 - The Hollingsworth House Loan of 2001 in a total principal amount equal to the
16 lesser of (i) ~~\$701,000~~ \$400,000 \$200,000 or (ii) the amount of the matching fund

1 provided in accordance with Section 1(5) below. This loan shall be evidenced by the
2 issuance, sale, and delivery of State general obligation bonds authorized by a
3 resolution of the Board of Public Works and issued, sold, and delivered in accordance
4 with §§ 8-117 through 8-124 of the State Finance and Procurement Article and
5 Article 31, § 22 of the Code.

6 (2) The bonds to evidence this loan or installments of this loan may be sold as
7 a single issue or may be consolidated and sold as part of a single issue of bonds under
8 § 8-122 of the State Finance and Procurement Article.

9 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer
10 and first shall be applied to the payment of the expenses of issuing, selling, and
11 delivering the bonds, unless funds for this purpose are otherwise provided, and then
12 shall be credited on the books of the Comptroller and expended, on approval by the
13 Board of Public Works, for the following public purposes, including any applicable
14 architects' and engineers' fees: as a grant to the Board of Directors of The Historic Elk
15 Landing Foundation, Inc. (referred to hereafter in this Act as "the grantee") for the
16 planning, design, repair, renovation, reconstruction, and capital equipping of The
17 Hollingsworth House at Elk Landing, located in Elkton, Maryland.

18 (4) An annual State tax is imposed on all assessable property in the State in
19 rate and amount sufficient to pay the principal of and interest on the bonds, as and
20 when due and until paid in full. The principal shall be discharged within 15 years
21 after the date of issuance of the bonds.

22 (5) Prior to the payment of any funds under the provisions of this Act for the
23 purposes set forth in Section 1(3) above, the grantee shall provide and expend a
24 matching fund. No part of the grantee's matching fund may be provided, either
25 directly or indirectly, from funds of the State, whether appropriated or
26 unappropriated. No part of the fund may consist of real property. The fund may
27 consist of in kind contributions or funds expended prior to the effective date of this
28 Act. In case of any dispute as to the amount of the matching fund or what money or
29 assets may qualify as matching funds, the Board of Public Works shall determine the
30 matter and the Board's decision is final. The grantee has until June 1, 2003, to
31 present evidence satisfactory to the Board of Public Works that a matching fund will
32 be provided. If satisfactory evidence is presented, the Board shall certify this fact and
33 the amount of the matching fund to the State Treasurer, and the proceeds of the loan
34 equal to the amount of the matching fund shall be expended for the purposes provided
35 in this Act. Any amount of the loan in excess of the amount of the matching fund
36 certified by the Board of Public Works shall be canceled and be of no further effect.

37 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey
38 to the Maryland Historical Trust a perpetual preservation easement to the extent of
39 its interest:

40 (i) On the land or such portion of the land acceptable to the Trust;
41 and

1 (ii) On the exterior and interior, where appropriate, of the historic
2 structures.

3 (b) If the grantee or beneficiary of the grant holds a lease on the land
4 and structures, the Trust may accept an easement on the leasehold interest.

5 (c) The easement must be in form and substance acceptable to the Trust
6 and any liens or encumbrances against the land or the structures must be acceptable
7 to the Trust.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 June 1, 2001.